



GAIL FARBER, Director

## COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331

<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

December 09, 2014


The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

31 December 9, 2014

  
PATRICK O'QUINN  
ACTING EXECUTIVE OFFICER

**ADOPT AND ADVERTISE  
SANITARY SEWER CONSTRUCTION  
COUNTY IMPROVEMENT DISTRICT NO. 2661-M,  
CARROLL DRIVE SEWERS  
IN THE UNINCORPORATED COMMUNITY OF ALTADENA  
(SUPERVISORIAL DISTRICT 5)  
(3 VOTES)**

### SUBJECT

This action is to approve and advertise the project for the construction of sanitary sewers for County Improvement District No. 2661-M, Carroll Drive Sewers in the unincorporated community of Altadena; adopt the plans and specifications; and adopt a resolution providing for the imposition of liquidated damages in the event that the contractor fails to perform the work within the time allowed.

### **IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and advertise the project and adopt the plans and specifications that are on file in the Construction Division of the Department of Public Works for County Improvement District No. 2661-M, Carroll Drive Sewers, at an estimated construction contract cost between \$130,000 and \$150,000.
2. Instruct the Executive Officer of the Board of Supervisors to advertise for bids in accordance with the Instruction Sheet for Publishing Legal Advertisement, and which are to be received before 11 a.m. on January 6, 2015, in accordance with the Notice Inviting Bids.
3. Adopt the resolution fixing liquidated damages in the amount of \$500 per day for contractor's failure to perform work on time.

BIDS: January 6, 2015 at 11:00 a.m.

4. Delegate to the Director of Public Works or her designee the following authority in connection with this contract: (1) approve and execute change orders within the same monetary limits delegated to the Director of Public Works under Section 2.18.050 of the Los Angeles County Code relative to the construction of County buildings; (2) allow substitution of subcontractors and relief of bidders upon demonstration of the grounds set forth in Public Contract Code Sections 4100 et seq. and 5100 et seq., respectively; (3) accept the project upon its final completion; (4) release retention money withheld consistent with the requirements of Public Contract Code Sections 7107 and 9203; and (5) extend the date and time for the receipt of bids consistent with the requirements of Public Contract Code Section 4104.5.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is for the Board to approve and advertise the project, adopt the plans and specifications, and delegate certain responsibilities to the Director of Public Works or her designee to carry out this project.

Additionally, adoption of the enclosed resolution will fix liquidated damages for the contractor's failure to complete work within the time allowed, in the amount of \$500 per day. It is recommended that the Board adopt this resolution providing for liquidated damages, in order to comply with a provision contained in the Public Contracts Code that applies to contracts for projects such as this one, that are constructed pursuant to the Municipal Improvement Act of 1913 (1913 Act).

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provisions of Operational Effectiveness/Fiscal Sustainability (Goal 1) and Integrated Services Delivery (Goal 3). The recommended actions will help achieve these goals by providing an improved sanitary sewer system to serve residents.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

The estimated construction contract cost to complete this project is in the range of \$130,000 to \$150,000. The total project cost is estimated to be \$595,000. In addition to the construction contract cost, the total project cost includes environmental clearance, plans and specifications, consultant services, County improvement costs, survey, materials testing, inspection, contract administration, change order contingency, and other County services.

This project will be financed with proceeds generated from assessments imposed pursuant to the 1913 Act on the properties that will benefit from the installation of the sewer and the sale of 1915 Act Limited Obligation Improvement Bonds. Annual assessment installments will be levied over 20 years to pay the debt service on the bonds. The construction contract will be encumbered in the Improvement Fund for County Improvement District No. 2661-M.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On April 8, 2014, Agenda Item 33, the Board adopted the Resolution of Intention and Resolution Setting Time and Place for Hearing, and on June 4, 2014, Agenda Item 61, adopted the Resolution Confirming Assessment and Ordering Improvements Made, for County Improvement District No.

2661-M, Carroll Drive Sewers. These resolutions ordered the formation of County Improvement District No. 2661-M, for the purpose of constructing a sanitary sewer system pursuant to the 1913 Act and imposing assessments on properties that will benefit from the sewer; directed the Director of Public Works to carry out the improvements in accordance with the approved Engineer's Report; and provided for the issuance of 1915 Act Limited Obligation Improvement Bonds to finance the construction of the proposed improvement. This project to construct the sanitary sewer system will be advertised in accordance with Section 20125 of the State Public Contract Code.

County construction contracts typically contain a provision known as a "liquidated damages" clause, requiring a contractor to forfeit or pay a specified sum of money for each day that its completion of a project is late. Section 20427 of the Public Contract Code, which specifically applies to contracts for construction of improvements under the 1913 Act, provides that "at any time prior to publication and posting notice inviting bids, the legislative body by resolution may determine that in the event that the contractor does not complete the work within the time limit specified in the contract or within such further time as the legislative body shall have authorized, the contractor shall pay liquidated damages in the amount fixed by the legislative body in said resolution."

The enclosed resolution, which provides for the imposition of liquidated damages in the event that the contractor does not complete the work within the time allowed has been approved as to form by County Counsel.

This project is to be completed in 25 working days. It is anticipated the work will start in April 2015 and be completed in May 2015.

The contract agreement will be in the form previously reviewed and approved as to form by County Counsel.

The award of the contract will be in full compliance with Federal, State, and County regulations. The project specifications contain provisions requiring the contractor to comply with terms and conditions supporting the Board's ordinances, policies, and programs including, but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; the Los Angeles County's Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the County to award construction contracts to a responsible contractor with the lowest responsive bid, which is defined as the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a responsible bidder by exhibiting the capability, capacity, experience, trustworthiness, and financial wherewithal to perform the work required under the bid solicitation.

To ensure that the contract is awarded to a responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by the contractor will be considered before making a recommendation to award.

### **ENVIRONMENTAL DOCUMENTATION**

On June 4, 2014, Agenda Item 61, the Board found this project categorically exempt from the provisions of the California Environmental Quality Act.

### **CONTRACTING PROCESS**

This project will be contracted on an open-competitive bid basis. A recommendation for award by the Board will be made upon review of the bids. The contract will be awarded to a responsible contractor who submits the lowest responsive bid meeting the criteria established by the Board and the State Public Contract Code.

To increase contractor awareness of Public Works' program to contract work out to the private sector, this project will be listed on both the County's "Doing Business with Us" and Public Works' "Contract Opportunities" websites for upcoming bids.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

When the project is completed, it will have a positive impact by providing improved sanitary sewer facilities for County residences.

**CONCLUSION**

Please return one adopted copy of this letter and the resolution to the Department of Public Works, Construction Division.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER  
Director

GF:JTS:vr

Enclosures

c: Chief Executive Office (Rita Robinson)  
County Counsel  
Executive Office  
Internal Services Department (Countywide  
Contract Compliance)

**RESOLUTION OF DETERMINATION  
OF LIQUIDATED DAMAGES FOR  
COUNTY IMPROVEMENT DISTRICT NO. 2661-M,  
CARROLL DRIVE SEWERS PROJECT FOR THE  
CONSTRUCTION OF SANITARY SEWERS**

WHEREAS, the Board of Supervisors (the Board) of the County of Los Angeles, State of California, did on June 4, 2014, adopt a Resolution confirming assessment and ordering improvements under the Municipal Improvement Act of 1913, Division 12, Section 10000 et seq. of the California Streets and Highways Code (hereafter 1913 Act) for the construction of sanitary sewers on Carroll Drive in the unincorporated community of Altadena (the Project) and formation of County Improvement District No. 2661-M, Carroll Drive Sewers (CI 2661-M); and

WHEREAS, on the date of this Resolution, the Board authorized the advertising of bids for the construction work of the Project; and

WHEREAS, the Public Contract Code contains provisions that specifically apply to contracts for projects that are constructed pursuant to the 1913 Act, at Division 2, Section 20480 et seq.; and

WHEREAS, Section 20489 of the Public Contract Code provides that "the provisions of the Improvement Act of 1911 relating to liquidated damages are incorporated in this division." The Improvement Act of 1911 contains a provision relating to liquidated damages in Division 2, Section 20427 of the Public Contract Code, which provides that "at any time prior to publication and posting notice inviting bids, the legislative body by resolution may determine that in the event that the contractor does not complete the work within the time limit specified in the contract or within such further time as the legislative body shall have authorized, the contractor shall pay liquidated damages in the amount fixed by the legislative body in said resolution."

NOW, THEREFORE, BE IT RESOLVED that the Board does hereby determine and fix liquidated damages in the amount of \$500 per day pursuant to the 1913 Act, if the contractor does not complete the work within the time limit specified in the contract or such further time as the Board shall have authorized. Said liquidated damage provision shall be included in the bid specifications and the construction contract.

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The foregoing Resolution was adopted on the 9th day of December, 2014, by the Board of Supervisors of the County of Los Angeles and ex-officio of the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.

**PATRICK OGAWA**  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles



By Carla Little  
Deputy

APPROVED AS TO FORM:

MARK J. SALADINO  
County Counsel

By Julia Wilson  
Deputy

RK:vr

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CLERK OF SUPERVISORS  
COUNTY OF LOS ANGELES

2014 DEC 9 PM 8:30

FILED